Releasing of Bank Defaulters List

†2057. DR. D. MASTHAN:
SHRI KAPIL SIBAL:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news item published in the Chennai edition of "Indian Express" dated 17th February under caption Jalan agrees with CVC on banks releasing defaulters list;

(b) if so, whether Government will direct financial banks to publish the list of defaulters relating to non-performing assets after the Governor, Reserve Bank of India has expressed his opinion; and

(c) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) and (c) Reserve Bank of India (RBI) had received a request from the Central Vigilance Commission to arrange to publicize the names of wilful defaulting borrowers of banks and financial institutions (FIs). Under the banking laws in force, disclosure of names of borrowers of banks and financial institutions is not permissible except under the circumstances as provided under various statutes. However, there is no prohibition on disclosure of the names of defaulters against whom suits have been filed. RBI publishes as on 31st March every year a list of borrowers (with outstanding aggregating Rs. 1 crore and above) against whom suits have been filed by banks and FIs for recovery of their dues. A list of suit filed accounts as on 31.3.1999 has been placed in the Parliament Library and is also available on RBI website http.// www rbi. org. in.

Assistance to Himachal Pradesh

2058. SHRIMATI CHANDRESH KUMARI: Will the Minister of FINANCE be pleased to state:

(a) whether Government had provided an advance of Rs. 100 crore and Assistance of Rs. 200 crore to Himachal Pradesh to enable the State Government to tide over the current financial problems;

(b) if so, the details of circumstances which necessitated such an advance and assistance;

†Original notice of the question was received in Hindi.

(c) whether the orders of release of funds as in (a) have since been issued;

(d) whether instructions for utilisation of such funds with proper publicity have been issued by Government; and

(e) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Prime Minister during his visit to Himachal Pradesh in the month of December, 1999, had announced a package of Rs. 400 crore to Himachal Pradesh comprising of Rs. 100 crore as additional grant for Basic Minimum Services, Rs. 100 crore additional central assistance for Annual Plan 1999-2000 and Ways and Means Advance of Rs. 200 crore to be provided during the current financial year. Out of the Ways and Means Advance of Rs. 200 crore, a sum of Rs. 100 crore shall be recovered in the next financial year i.e. 2000-01. This assistance will enable the State Government to realise the plan size approved by the Planning Commission and will help the State improve their financial condition, so that developmental schemes can be implemented smoothly.

(c) Yes, Sir.

(d) and (e) The States are autonomous under the Constitution to take measures of their preference from time to time for improving their financial conditon. For the releases made under the State Plan, the State Governments are accountable to their State Legislatures for proper utilisation of funds through the State Audit Reports prepared by the CAG of India under Article 151(2) of the Constitution. However, if there is shortfall in plan expenditure as against approved/revised plan outlays, a proportionate cut is made from the Central assistance released to the State.

Functioning of NBFCs in U.P.

2259. SHRI RAJNATH SINGH 'SURYA': Will the Minister of FINANCE be pleased to State:

(a) whether all non banking financial companies based in U.P. are functioning strictly as per the guidelines/rules laid down by the RBI;

(b) whether there are any complaints against them;

(c) if so, the details of these companies;

(d) what action is being taken or proposed to be taken against them; and